



STOCK PURCHASE QUESTIONNAIRE

Name of Applicant

All of the following questions are to be answered under penalty of perjury by each of the proposed incorporators, officers, directors, managing personnel, and stockholders. If a proposed stockholder is a corporation or other business entity, the questions must be answered by an appropriate official for such company.

If the application for authority to establish a premium finance agency (the "Company") is approved, and the purchase of stock is approved:

1. Will you personally perform the duties of an officer, director or managing personnel so that the Company will be operated only in accordance with the Industrial Loan Law?

Yes ☐

No ☐

2. How long have you know each of the other proposed directors, stockholders, officers or managing personnel?

Name

Period of Time Known

3. In your participation as a proposed officer, director, managing personnel or stockholder, will you be acting solely on your behalf or as an agent, representative or trustee for some other principal or beneficiary?

Yes ☐

No ☐

4. How many shares of stock, at what price per share, do you propose to purchase?

Number of Shares

Price per Share

5. Will the stock proposed to be purchased by you be paid for with your own funds and not with the funds of any other persons or funds derived from a pledge of the stock?

Yes ☐

No ☐

If your answer is "No", explain fully, giving full details as to the source of the funds.

6. Is the stock to be purchased by you for investment only and not for resale or distribution?

Yes ☐

No ☐

If your answer is "No", explain fully.

7. Under your present financial circumstances, have you entered into any contract or understanding, or do you intend within five years, to sell, assign, hypothecate or encumber any of the stock to be purchased by you?

Yes ☐

No ☐

If your answer is "Yes", explain fully.

8. Do you contemplate using the business or facilities of the Company for your own personal gain, directly or indirectly, in connection with any other business in which you may engage?

Yes ☐

No ☐

If your answer is “Yes”, explain fully.

Executed on _____, 20____, at _____, California.

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

(Signature)

Name – Please Print

Position*

*Specify – Incorporator, Director, Stockholder, etc.

This is a sample format of a portion of an application under Financial Code Section 18115 for approval of an application for authority to engage in insurance premium finance business. The purpose of the Form is to assist the Department in determining the adequacy of the capital structure of the proposed insurance premium finance agency under Financial Code Section 18117(c). This sample is provided only as an illustration of the format of that portion of the application. Refer to the requirements of Financial Code Sections 18115, *et seq.*

Notice to Individuals – Use of Information

The Commissioner of Financial Institutions (the "Commissioner") is authorized by the Financial Code to gather and maintain the information requested in the form you have accessed. If the form is submitted in connection with any application or other matter before the Commissioner, the requested information is deemed necessary to process that application or other matter pursuant to the Financial Code. If the requested information is not accurately and completely provided, the application may be denied, or the other matter may be resolved against your interests.

If the form requests you to provide your social security account number, please be advised that providing your social security account number is voluntary. Your social security account number will be used as an identifier, and may be used to verify information provided to the Department of Financial Institutions (the "Department"). Failure to provide your social security number may require the Department to use other methods to verify information, which may cause delays in processing this information and any related application or other matter. If the information you have provided to the Department cannot be verified, the Department may reject your filing and deny any related application or cause any other matter to be resolved against your interests. In addition, the Commissioner may request additional information or clarification of submitted information.

You may be required to provide your fingerprints in conjunction with submitting your personal information. If your fingerprints are required, the Department will provide you with the necessary instructions and, if applicable, the forms upon which your fingerprints may be submitted.

In processing the information you provide, the Department may cause a consumer credit report to be prepared in accordance with the provisions of Title 1.6, Part 4, Division Third of the Civil Code (commencing at Section 1785.1), or an investigative consumer report to be prepared in accordance with the provisions of Title 1.6A, Part 4, Division Third of the Civil Code (commencing at Section 1786), or the respective successor statutes.

The information you provide the Department will be held in confidence as required by the Information Practices Act (Civil Code Section 1798, et seq.). The Information Practices Act provides that the Department may share the information you provide with the Department of Insurance, the Department of Corporations, other federal and state financial institution regulators, law enforcement agencies, or any other governmental entity if the disclosure is required under state or federal law. In addition, the Department may share the information you provide with any such agency if the disclosure assists the agency in discharging its duties. Each individual has the right to review information maintained by the Department regarding him or herself, unless access to some or all of the information is exempt from disclosure by law. The official responsible for maintaining information gathered by the Department is as follows:

For all matters relating to credit unions;

Deputy Commissioner of Financial Institutions for the Division of Credit Unions,
Department of Financial Institutions, 300 South Spring Street, Suite 15513, Los Angeles,
California 90013-1204.

For all other matters;

Chief State Examiner, Department of Financial Institutions, 300 South Spring Street,
Suite 15513, Los Angeles, California 90013-1204.